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CENTRAL GOVERNMENT SUPPORTS PRIVATE INDUSTRY;
SHANGHAI USES MORE ELECTRIC POWER, STRENGTHENS
TEXTILE INDUSTRY

INCREASES ORDERS WITH PRIVATE INDUSTRY -- Peiping Jen-min Jih-pao, 21 Jul 50

During the first half of 1950, the government made purchase orders and sub-contracts with private industry in increasing amounts. This has served well in helping private industry surmount its difficulties. The government has also led private industry in reforming management and concentrating capital strength, with the result that production rates have risen and production costs diminished. Several plants have amassed a surplus.

In the spring of 1950, the Ministry of Heavy Industries of the Central People's government made purchase orders amounting to the equivalent of 720,000 tons of millet. Of this, private steel in Shanghai alone received orders worth 2,881,960 parity units; contracts to the private electrical machine industry in Shanghai came to 4,172,126 catties of Chinese polished rice. Large lots of purchase orders were allotted to private firms at the May session of the All-China Electrical Apparatus Industry Conference. Purchase-order contracts are still being signed. The China Cotton Yarn and Cloth Corporation estimate for the period June-October includes spinning and weaving subcontracts which would have private mills operating 81 percent of the total number of spindles (exclusive of the Northeast). Other industries, such as provisions, coal, cement, and egg products, are receiving large-scale orders for goods, processing, packaging, and marketing.

At the same time, the magnitude of purchase orders and processing is developing rapidly. In February, the China Cotton Yarn and Cloth Corporation took in 7,321 bales of spooled cotton thread and 130,061 bolts of woven cotton cloth, both of which had been processed on subcontract; by May, these figures had risen to 21,455 bales and 498,513 bolts, respectively. After June, the monthly production of yarn spun by subcontract rose to 58,524 bales. From the liberation until March 1950, the East China Branch of the China General Merchandise Corporation had extended only 7,400,000,000 yuan in subcontracts to private industries; but, in April, this figure suddenly leapt to 88 billion yuan.

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As a result of these developments, productive power in Mukden has reached its peak. In Shanghai, heart of the spinning and weaving industry, the proportion of spindles in operation has jumped from February's 49.6 percent to 90 percent in June. Facilities have been greatly augmented at the three major yarn mills of Heng-yuan, Pei-yang, and Hua-hsin.

Certain industrial and commercial enterprises, however, continue to manifest the old ideologies, to the detriment of social recovery and development.

INDUSTRIAL USE OF ELECTRICITY INCREASED IN SHANGHAI -- Shanghai Hsin-wen Jih-pao, 24 Jul 50

Shanghai -- Since 10 May 1950 the Shanghai Public Utility Bureau began accepting applications for additional electricity to be used for industrial purposes, and received applications from more than 1,000 large and small factories in Shanghai. The amount requested equalled approximately 20,000 horsepower, or 11 percent of the maximum present output of the power plants in Shanghai, according to data compiled jointly by the Shanghai Electric Power Company, French Electric Power Company, Cha-pei Electric Power Company, China Electric Power Company, and P'u-tung Electric Power Company for the month of July.

The large majority of requests were made by ironworks, electric welding shops, electroplating shops, and paper mills, followed by rubber goods factories and cotton mills. These factories, though they have their own power plants generated by Diesel engines, face a shortage because of recent production increases. They are also trying to cut down operational costs by using electricity produced by the power companies since it is less expensive than that produced individually.

The Shanghai Iron and Steel Company, which has three factories, is now using 2,300 horsepower of electricity, and a request was made for an additional 1,700 horsepower which will be needed to operate two newly opened steel press shops. The current monthly output of this company is 800 tons of pressed steel products; if the additional electricity is made available, the monthly output will be increased to 2,500 tons.

The T'ien-yuan Electrochemical Factory, which manufactures bleaching powder, hydrochloric acid, and nitric acid, began receiving an additional 660 horsepower of electricity on 15 July 1950, and is now operating at 67 percent of its maximum capacity.

The privately owned Hsin-chung Machinery Shop is now using 100 horsepower of electricity, and a request was made for an additional 200 horsepower to increase its present production by 200 percent by reactivating machine tools which are inoperable at present because of the power shortage.

Requests for additional electricity by paper mills became more numerous as their production rate increased. A total of 1,500 tons of paper, or 200 percent more than the May output, was produced in June by 22 paper mills in Shanghai. Among those which requested additional power were the I-chung Hua-fu-hsin paper mills. The I-chung, which now uses 188.5 horsepower, requested an additional 300 horsepower to increase its monthly production to 300 tons; the Hua-fu-hsin, which now used 225 horsepower, asked for an additional 70 horsepower to increase its monthly production to 150 tons.

The Ta Chung-hua Rubber Goods Factory has requested an increase in its total consumption of electricity to 599.5 horsepower.

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The Cheng-feng Dyeing Factory, which is now producing 1,200 bolts of printed and dyed cloth per month, has requested an additional 300 horsepower of electricity from the Shanghai Electric Power Company to increase its monthly output to 4,000 bolts.

The reason given by most of the 328 light industrial factories which applied for additional power was to cut down on basic manufacturing costs.

SHANGHAI MILLS EXPAND RAW MATERIALS REQUIREMENTS -- Shanghai Chieh-fang Jih-pao, 22 Jul 50

The first conference of the East China textile industry set 1,009,000 spindles as the maximum number to be allowed to operate in Shanghai and raw material supplies were estimated on this basis. The actual number of spindles in operation at the time of the conference was 993,000 and it was supposed that the supplies allotted would be ample. However, some factories stepped up the production of yarn per spindle from the 0.8 pound allowed in the estimate to 0.813 for July. This resulted in the increased use of over 1,000 piculs of cotton. Should peaceful conditions continue and requests of various factories to add a total of 13,750 spindles be granted, the calculations of the conference would be upset. Some firms have been accused of putting additional spindles into operation without permission from the conference, and the allegations have been supported in some cases by newspaper investigators.

EAST CHINA UNIFIES TEXTILE INDUSTRY -- Shanghai Chieh-fang Jih-pao, 27 Jul 50

Shanghai -- A 2-day meeting of leaders of the textile industry of East China was opened in Shanghai, 26 July 1950, under the chairmanship of Liu Shao-wen (1) [numbers refer to appended characters], chief of the Textile Control Bureau of the East China government. Preparatory steps were taken for the organization of the United Committee for the Textile Industries of East China, pursuant to a decision reached at the first East China Textiles Conference. Among the prominent textile leaders present were Liu Hung-sheng (2), Kuo Ti-huo (3), Liu Ching-chi (4), Miao Hai-nan (5), Cheng Hsiang-te (6), Chen Yuan-ch'in (7), Tsao Shu-nan (8), and Chou Keng (9).

SOUTHWEST INDUSTRIAL CONDITIONS REPORTED TO PEIPING -- Shanghai Ta Kung Pao, 27 Jul 50

Chungking dispatch -- The conference on industrial conditions in the Southwest, convened in Chungking 3-12 July 1950 by the Department of Industry of the Southwest Regional government, was attended by a wide representation of official agencies, private industrial concerns, and professional men. Beside the heavy industries, the following light industries were represented: sugar, alcohol, oil and fats, rubber, matches, paper, cigars and cigarettes, hides and leather, and textiles.

A prominent figure in the conference was Wan Li (10), deputy chief of the Department of Industry. Under his leadership, the situation in the different provinces and in the various light and heavy industries was thoroughly reported and discussed, and tentative plans for the future were formulated. It was decided that the deliberations of and proposed plans drawn up by the conference be submitted to the Central government for consideration and decision in the light of the conditions and needs of the country as a whole.

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RUBBER COSTS REDUCED -- Mukden Tung-pei Jih-pao, 22 Jul 50

Mukden -- The No 2 state-operated rubber factory in Mukden in the first half of 1950 not only surpassed by 21 percent the production record of the last half of 1949, but its products were of better quality. In 1949, the government standard for quality of rubber belting of various types was that it should stand flexing for 35,000 times before breaking down. In the past 6 months, the production costs of the factory have shown savings of over 49 billion yuan.

WU-HSI PRIVATE INDUSTRIES SET UP CONSULTATION CONFERENCES -- Wu-hsi Su-nan Jih-pao, 27 Jul 50

During the last 2½ months a large number of private industries in Wu-hsi have established Labor-Management Consultation Conferences. A number of others have begun holding preliminary discussion meetings leading to full conference organization. The purpose of these conferences is to assist in overcoming difficulties and aiding production, increasing individual laborer's production and raising quality of the products, and improving employer-employee relations. Results have already begun to be evident in Wu-hsi.

CHARACTERS

- | | |
|--------|--------|
| 1. 劉少文 | 6. 鄭翔德 |
| 2. 劉鴻生 | 7. 陳元欽 |
| 3. 郭棟浩 | 8. 陶叔角 |
| 4. 劉精基 | 9. 周庚 |
| 5. 苗海南 | 10. 萬里 |

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